



Offer #401-HHS-009

Adoption

This offer includes the following appropriations: Adoption Subsidy

Contact: Wendy Rickman wrickma@dhs.state.ia.us (515) 281-5521

Program Description:

The purpose of the DHS adoption program is to achieve stable and permanent families for children who have been abused or neglected when the rights of the child's parents have been terminated.

Who:

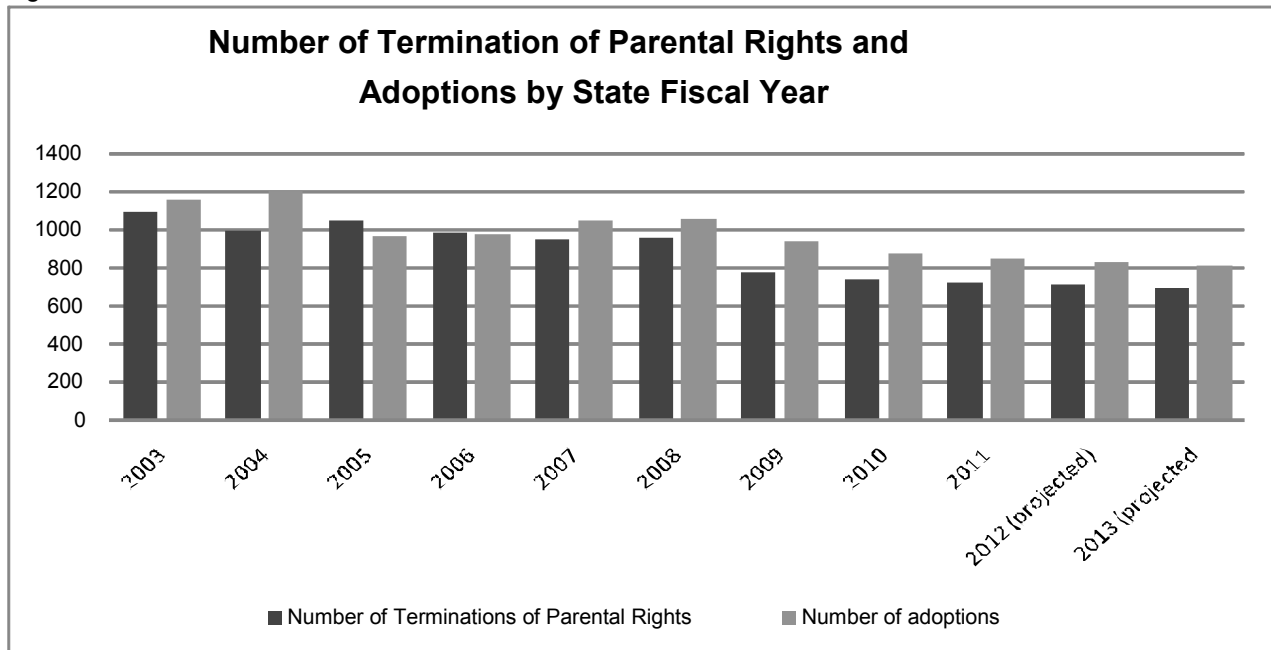
The adoption program serves some of Iowa's most vulnerable children, those who have been abused or neglected.

- A child is eligible for adoption services through DHS if:
 - The child is under the age of 18 and in foster care with DHS responsible for the child's placement and care, and
 - The child's parents have had their parental rights terminated by the Juvenile Court and guardianship transferred to the Department of Human Services.
- A child is eligible for the adoption subsidy if the child meets all of the following criteria:
 - A Subsidy or Pre-subsidy Agreement has been signed by all parties prior to finalization of the adoption; and
 - The child is difficult to place based on:
 - Having a special need defined as: a diagnosed physical, mental or emotional disability; or Caucasian and age 8 or older; or is a member of a minority race or ethnic group and two years of age or older or; is a member of a sibling group of three or more; and
 - Efforts were made to place the child for adoption without subsidy; and
 - Is a U.S. citizen or has qualified alien status.
- Once a child is eligible for the adoption subsidy, they remain eligible until they turn age 18 (or 21 if they have a diagnosed physical, mental or emotional disability)
- Adoptive parents' income is not considered in determining a child's eligibility for subsidy, per Federal regulations.

In SFY 2011 the Department of Human Services finalized 850 adoptions. This is a decrease from SFY 2010, primarily due to a downward trend in the number of children in foster care. There were 723 terminations of parental rights actions in SFY 2011.

Figure 1 shows historical data on terminations of parental rights (TPR) for children in foster care and adoptions of children from foster care.

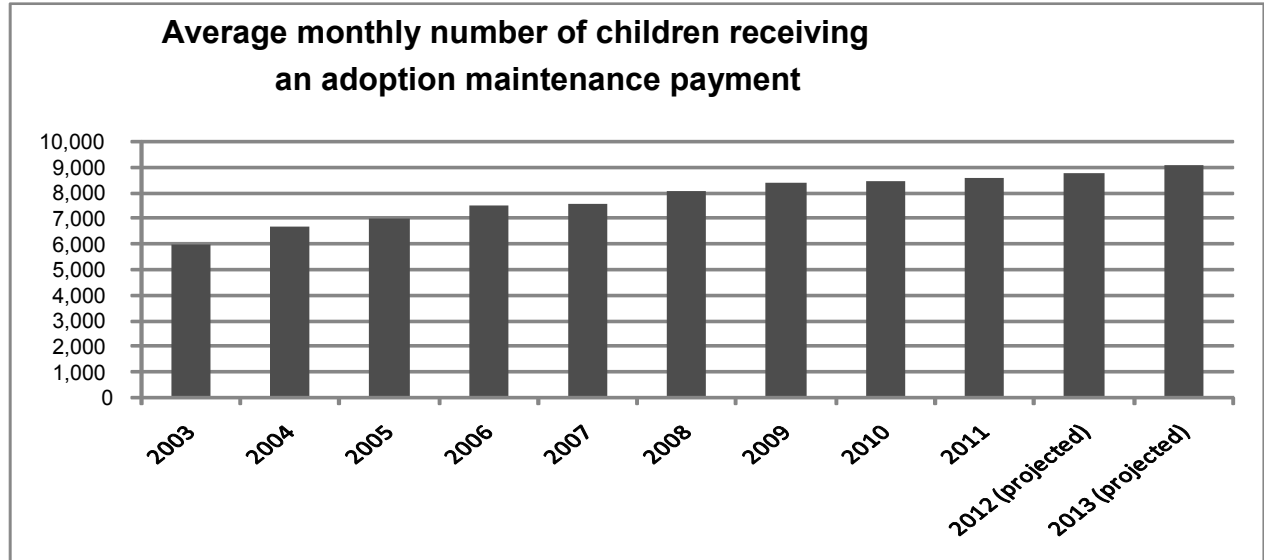
Figure 1



As of June 30, 2011, 9,349 children were eligible for adoption subsidy. Of those children, 8,586 received a subsidy payment. 763 children have an approved adoption assistance agreement but did not receive a subsidy payment, either because the family chose not to receive a payment or because the child was identified as “at risk” of having a special need, allowing the subsidy to be negotiated in the future if the child is diagnosed with a physical, mental or emotional disability. In SFY 2011, 82% of children adopted through DHS had an approved subsidy agreement and received subsidy payments; 17% had an approved Future Needs (“at risk”) subsidy agreement. Only 1% of the children adopted were found to be ineligible for either type of adoption subsidy.

Figure 2 shows the number of children receiving an adoption subsidy maintenance payment. The caseload growth has slowed over the last three years, due to the decrease in the number of children in foster care and the resulting decrease in the number of children adopted through DHS.

Figure 2



The average monthly number of children receiving an adoption subsidy has increased steadily over the last 10 years and will continue to rise even though the number of adoptions has stabilized or decreased. The majority of children adopted through DHS are younger and they remain eligible for the adoption subsidy until they are 18 or 21 if they continue to meet eligibility due to a diagnosed mental or physical disability. The highest numbers of children eligible for a subsidy were adopted in 2003 and 2004. Because these children continue to receive a subsidy until they reach at least 18, the overall number of children receiving a subsidy remains high in spite of the decreased number of new adoptions.

As shown in Figure 3, over half the children adopted through the Department of Human Services are ages 5 or younger. One reason for this is that it is more difficult to find adoptive families for older children. On the other hand, as shown in Figure 4, the majority of children receiving adoption subsidy are age 6 or older. Again, this is because once children are eligible for the subsidy they remain eligible until they are 18 or 21 if they continue to meet eligibility due to a diagnosed mental or physical disability.

Figure 3 -- Age of Children Adopted through DHS

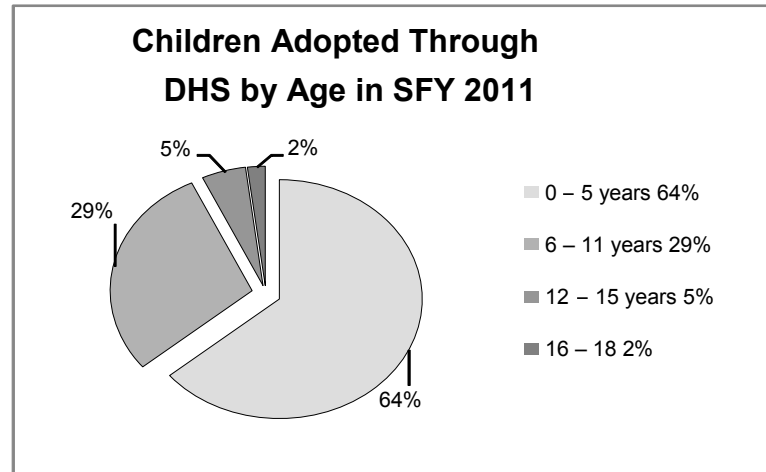
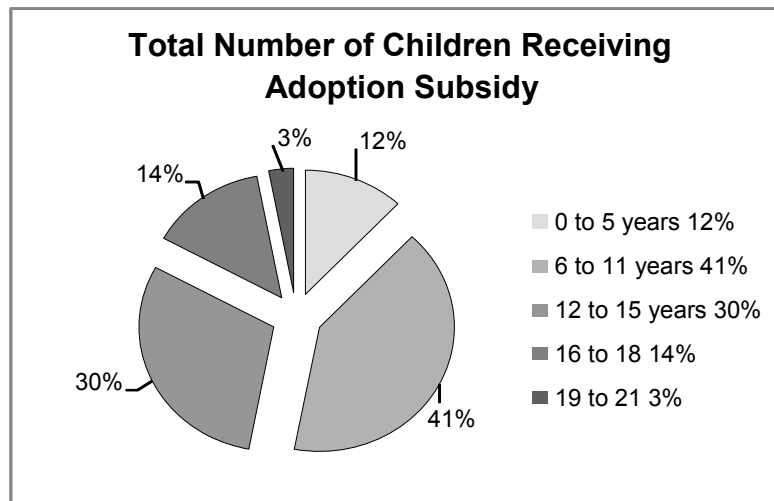


Figure 4 – Age of Children Receiving Adoption Subsidy



While Caucasian children make up over two-thirds of children adopted through DHS, African American children make up a larger percentage of adoptions and adoption subsidy cases than they do of the overall child population. African American children represent a disproportionate percentage of the foster care population and are less likely to be reunited with their parents than Caucasian children, so there are greater numbers of African American children available for adoption and adoption subsidy.

Figure 5 – Race and Ethnicity of Children Adopted Through DHS

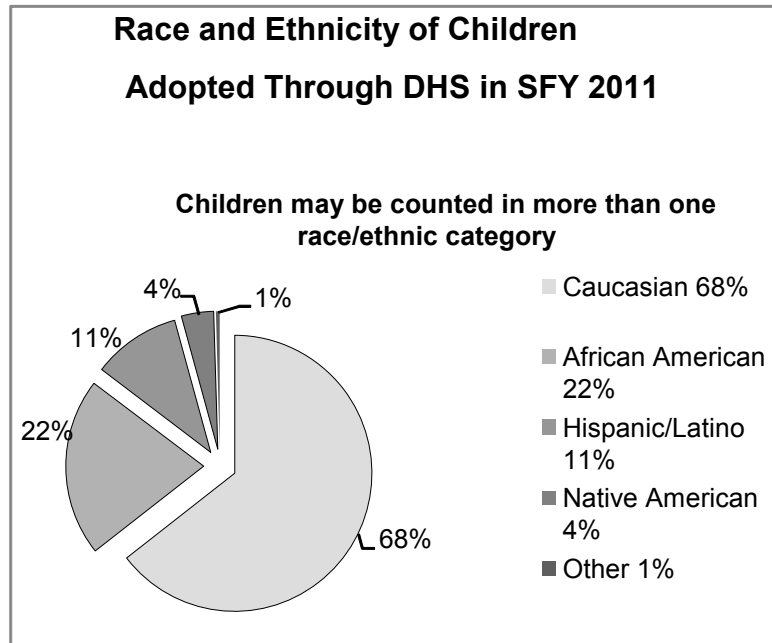
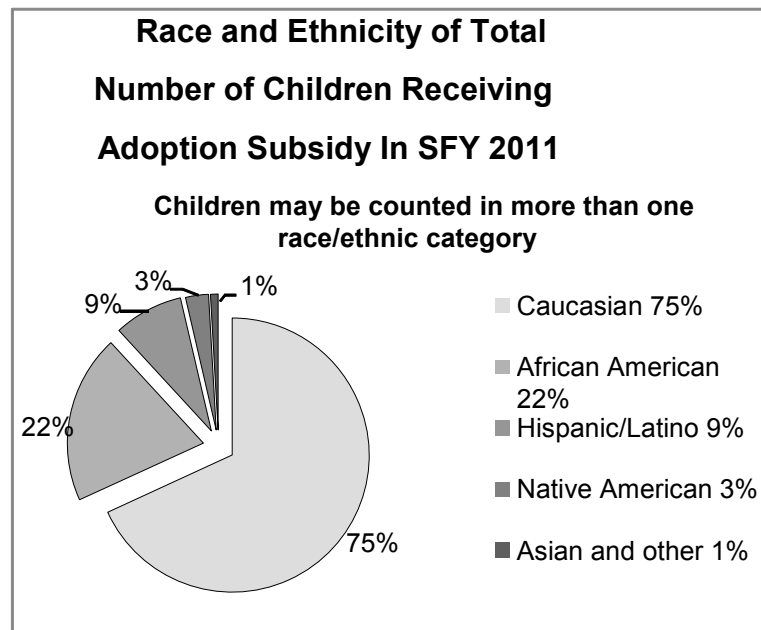


Figure 6 – Race and Ethnicity of Children Receiving Adoption Subsidy



What:

This offer funds activity to achieve permanent families for children who are eligible for adoption, assists in their placement, and provides services to avoid disruption. The adoption program includes two primary components:

- Adoption recruitment and services to children and families to achieve an adoption: DHS contracts for statewide recruitment of families to adopt children who are in the State's guardianship. Adoption services are comprised of home studies (including child abuse and criminal history record checks), placement support, and post-placement services. The goal of post-placement services is to prevent disruptions that may result in the adoption process ending unsuccessfully.

Note: The State funds for adoption recruitment and services to children and families to achieve an adoption are included within Offer #401-HHS-007 Child Welfare/Juvenile Justice Community Services.

- Adoption subsidy: DHS provides the following subsidy benefits to families who have adopted a special needs child from foster care without regard to family income.
 - Monthly maintenance payments. Basic maintenance subsidy rates cannot exceed foster family care maintenance rates and range in amount based on the child's age. In SFY 2011 daily basic maintenance rates ranged from \$15.74 to \$18.16 based on the child's age. Difficulty of care rates are based on the child's special needs. The additional daily rates are \$4.81, \$9.62 or \$14.44 based on the needs of the child.
 - Coverage under the Medicaid program. Medicaid provides access to health care ranging from preventive care to primary care to behavioral health care. The State funds for Medicaid are included within Offer #401-HHS-003 Medical Services.
 - Payment for special services which includes: non-recurring expenses to finalize the adoption up to \$500.00 per child; expenses related to pre-placement visits up to \$2,000.00 per family; supplies and equipment as required for a child's special needs and unavailable through other resources; payment for the cost of adding the child to the family's private insurance if the family is denied by HIPPA; medical transportation not covered by Medicaid; outpatient therapy and counseling if the therapist is not an enrolled Medicaid provider or a Medicaid provider is not available.

How:

Service Delivery

Approximately 45 child welfare staff in DHS local offices provided the following services:

- *Adoptive Record Check Evaluations and home study approval*: Evaluate child abuse and/or criminal history when adoptive applicants have a positive record check.
- *Home Study Decision*: Approve or deny an adoption home study and issue the notice.
- *Eligibility Determination*: Determine eligibility for the adoption subsidy program and for Title IV-E funding. Staff also negotiate and establish the adoption subsidy payment with the adoptive family.
- *Case Management*: Provide case management for children and supervise the adoptive placement until the adoption is finalized.
- *Consents*: Consent to medical care and other activities requiring parental consent for children under DHS guardianship prior to finalization of an adoption and issue the consent to the finalization of the child's adoption.
- *Subsidy Payment*: Authorize the monthly payment to adoptive families and approve and process payments for special services.

Service Support

- *Corporate Leadership*: Provide overall agency strategic management and accountability for the achievement of results.
- *Contract Management*: Maintain contract with a private agency for recruitment of adoptive homes and services to support adoptive placements. This includes managing the procurement process and monitoring contractor performance.
- *Licensing*: License all child-placing agencies that provide adoption services and certify all adoption investigators that provide services for both public and private adoptions. The Department of Inspection and Appeals (DIA) completes the licensing investigation and makes a recommendation to DHS.
- *Interstate Compact on the Placement of Children (ICPC)*: Iowa's ICPC office processed 200 requests for adoptive placements (including both DHS adoptions and private adoptions) in SFY 2011. Of the 200 requests, 105 were for children placed outside of Iowa and 95 were children placed in Iowa.
- *The Interstate Compact on Adoptions and Medical Assistance (ICAMA)* office determines eligibility for medical coverage for children eligible for adoption assistance whose families move across state lines. In SFY 2011, DHS processed 197 family referrals which totaled 338 children. Of those, 69 family referrals totaling 103 children came into Iowa; and 128 referrals totaling 235 Iowa children moved outside of Iowa.
- *Information Technology*: Maintain the child welfare information system that issues payments and sustains Federal claiming, supports caseworker activities, and is the source for adoption related data.
- *Federal Programs*: Complete the Title IV-B and IV-E state plans, state plan amendments, and program reporting required to claim Federal funding and coordinate preparation for periodic Federal program reviews.
- *Financial Accountability*: Manage budget, accounting, Federal/State reporting, cost allocation, and audit coordination and resolution.
- *Program Support*: Develop and maintain the administrative rules and employees' manual for the adoption program to ensure that Iowa's program aligns with best practice and complies with all relevant State and Federal laws and regulations.
- *Program Monitoring*: Monitor program outcomes, manage program improvement plans, and provide data to staff, policy makers and the general public.
- *Constituent Relations*: Work with constituent groups (e.g., Iowa Foster and Adoptive Parent Association), key stakeholders, and partners (e.g., county attorneys, Child Advocacy Board, Children's Justice of State Court Administration, etc.). Respond to constituent complaints and questions as well as appeals and requests for exceptions to policy.
- *Provider Payment*: Distribute client benefits and provider/vendor payments.

Results Achieved:

Result: Strengthen and Support Families/Safe and Nurturing Families	SFY 2011 Actual	SFY 2012 Budget Level	SFY 2013 Offer Level
Number of finalized adoptions	850	875	875
Percentage of children adopted within 2 years of placement (Federal target is 32%)	59%	59%	59%

Sustaining service delivery assumes the level of funding requested in the offer as well as full funding of salary adjustment. DHS analysis of the legislative appropriation for SFY 2012 projects a shortfall of approximately two million dollars based on caseload growth. If the shortfall is not covered through a supplemental appropriation, and is carried over into SFY 2013, there will be significant program reductions. These reductions could include the elimination of special services funding supports or an across the board reduction in maintenance payments, which will negatively impact achieving permanency for children.

Impact of Proposed Budget on Results:

Current Results: (At Status Quo and CSL funding and activities)

This offer includes funding for the adoption subsidy program that provides support to families that adopt children from foster care. Adoption subsidy is one of the State's primary strategies for achieving stable and permanent families for children whose parental rights have been terminated.

As of June 30, 2011, DHS provided an adoption subsidy payment for 8,586 children. This offer supports a projected caseload increase of 15 cases per month through SFY 2012 and SFY 2013.

DHS has been very effective in finding permanent adoptive families for children under State guardianship. In SFY 2011, DHS finalized 850 adoptions with a yearly average of 953 adoptions for the last 5 years. Over 90% of the children adopted through DHS participate in the adoption subsidy program. As a result, Iowa has a large and growing number of children eligible for adoption subsidy although the growth has slowed over the last few years.

Iowa's performance on the Federal standard of timeliness of adoptions has remained steady during the past three years. The measure represents the percentage of children who are adopted in less than 24 months from the time of their most recent removal from their home. Iowa has consistently been a national leader in achieving timely adoptions for children in foster care. According to the Federal data profiles for child and family services, as of June 7, 2011, 59% of adoptions were finalized within 24 months from the most recent removal. The national median is 26.8%.

At the current service level this offer would maintain the adoption subsidy program at its current eligibility and benefit level.

Legal Requirements:

Federal:

The adoption subsidy program is governed under Title IV-E of the Social Security Act. The adoption program is governed under Title IV-B of the Social Security Act. As a condition of receiving Federal funds parental income cannot be taken into account in determining eligibility for the subsidy or the amount of the subsidy pursuant to Federal regulation 1356.4(c). The same Federal statute requires that the adoption assistance payments may not be automatically decreased without the agreement of the adoptive parents.

State:

State requirements related to adoption are found in Chapter 232 and Chapter 600 of the Iowa Code. State requirements related to payment rates are found in Chapter 234.